CASC NEWSLETTER - SUMMER 2011

6,000 CLUBS REGISTERED

In June HMRC registered the 6,000th club under the Community Amateur Sports Club scheme. A seminar was hosted by the Sport and Recreation Alliance to coincide with this milestone and to promote the scheme. The Minister for Sport, Hugh Robertson spoke at the seminar to lend his support. National Governing Bodies, County Sports Partnerships and other stakeholders, such as Sport England, attended to raise awareness and increase uptake of the CASC scheme.

Our website has now been updated with detailed information and guidance on CASC's (website link can be found at the end of this newsletter). Please visit this, the cascinfo website at www.cascinfo.co.uk or HMRC's at www.hmrc.gov.uk for all the information you need.

Only changes to certain managers and nominees of CASCs need to be communicated to HMRC via the variations form. Changes to authorised officials for tax purposes, responsible persons nominated by the club and external nominees should be notified to HMRC. You will find the guidance at www.hmrc.gov.uk/charities/guidance-notes/chapter2/fp-persons-test.htm and the form at www.hmrc.gov.uk/charities/chv1.pdf.

Discussions continue with HMRC on the effective operation of the scheme to ensure that it provides the right approach to helping clubs and meets the needs of sport and Government. There are currently a number of issues under discussion to help improve the scheme but we are always interested in hearing about your issues.

CASCS are represented through Richard Baldwin on the new HMRC Charity Tax Forum which has recently held its third meeting. Much of the CTF's time has been spent on discussing how to improve gift aid which CASC's can use to raise much needed funds. A sub-group has been set up to discuss the proposed Small Donations scheme highlighted in the last Newsletter. Please let us have your views. The minutes of the CTF can be found at www.hmrc.gov.uk/consultations/charities-tax-minutes.htm.

CASCs which have gross trading income of over £30,000 pa pay corporation tax on the whole of that income less any attributable expenses - there is now no "nil rate" band of tax on taxable profits of £10,000 or less. Recent cases highlight the need to review whether the trading income limit is breached, in which case the club

needs to file a corporation tax return online and pay the tax on time or else face interest and penalties. Trading income is not always easy to determine but HMRC's guidance on mutual trading at www.hmrc.gov.uk - Business Income Manual - BIM24000 may provide useful pointers.

Clubs proposing to apply to HMRC to be CASCs should

look closely at HMRC's detailed CASC guidance notes as well as the guidance on registering. The better the applications the sooner HMRC will be able to register your club. HMRC is likely to refuse poor quality applications which cause delays all round. You now need to complete your applications on line, print off the form and send this to HMRC. If you don't provide details when you apply of at least two responsible persons plus one authorised official and their National Insurance numbers HMRC will not be able to register your club. HMRC's guidance is at www.hmrc.gov.uk/charities/casc/index.htm.

For further information contact your CASC Champion (days:club-evelopment/LegalAndAdmin/CommunityAmateurS portsClubs.aspx.